



General Assembly

January Session, 2013

***Raised Bill No. 523***

LCO No. 2067

\*02067\_\_\_\_\_AGE\*

Referred to Committee on AGING

Introduced by:  
(AGE)

***AN ACT CONCERNING THE RETURN OF A GIFT TO A PERSON IN  
NEED OF LONG-TERM CARE SERVICES.***

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. Subsection (d) of section 17b-261a of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective July*  
3 *1, 2013*):

4 (d) (1) For purposes of this subsection, an "institutionalized  
5 individual" means an individual who has applied for or is receiving  
6 (A) services from a long-term care facility, (B) services from a medical  
7 institution that are equivalent to those services provided in a long-term  
8 care facility, or (C) home and community-based services under a  
9 Medicaid waiver.

10 [(d)] (2) An institutionalized individual shall not be penalized for  
11 the transfer of an asset if the entire amount of the transferred asset is  
12 returned to the institutionalized individual. [The partial return of a  
13 transferred asset shall not result in a reduced penalty period.] A  
14 transferee may return any portion of a transferred asset to the

15 transferor. If any transferred asset is returned to the transferor, the  
16 Department of Social Services shall adjust the penalty period to the  
17 extent permitted by federal law, provided the ending date of the  
18 penalty period as originally determined by the department shall not  
19 change. The department shall consider the entire amount of the  
20 returned asset to be available to the transferor only from the date of  
21 return of the transferred asset, and shall not determine the transferee  
22 ineligible in the month the transferred asset is returned, provided the  
23 institutionalized individual reduced the returned asset in accordance  
24 with federal law.

25     [(1)] (3) If there are multiple transfers of assets to the same or  
26 different transferees, a return of anything less than the total amount of  
27 the transferred assets from all of the separate transferees shall not  
28 constitute a return of the entire amount of the transferred assets and  
29 shall represent a partial return.

30     [(2) If the circumstances surrounding the transfer of an asset and  
31 return of the entire amount of the asset to the institutionalized  
32 individual indicates to the Department of Social Services that such  
33 individual, such individual's spouse or such individual's authorized  
34 representative intended, from the time the asset was transferred, that  
35 the transferee would subsequently return the asset to such individual,  
36 such individual's spouse or such individual's authorized  
37 representative for the purpose of altering the start of the penalty  
38 period or shifting nursing facility costs, that may have been borne by  
39 such individual, to the Medicaid program, the entire amount of the  
40 returned asset shall be considered available to such individual from  
41 the date of transfer. If such individual demonstrates to the department  
42 that the purpose of the transfer and its subsequent return was not to  
43 alter the penalty period or qualify such individual for Medicaid  
44 eligibility, the entire amount of the returned asset is considered  
45 available to the individual from the date of the return of the  
46 transferred asset.]

47        [(3)] (4) The conveyance and subsequent return of an asset for the  
48        purpose of shifting costs to the Medicaid program shall be regarded as  
49        a trust-like device. Such asset shall be considered available for the  
50        purpose of determining Medicaid eligibility. The conveyance and  
51        subsequent return of an asset made exclusively for a purpose other  
52        than to qualify for the payment of long-term care services under the  
53        Medicaid program shall not be regarded as a trust-like device.

54        [(4) For purposes of this section, an "institutionalized individual"  
55        means an individual who is receiving (A) services from a long-term  
56        care facility, (B) services from a medical institution which are  
57        equivalent to those services provided in a long-term care facility, or (C)  
58        home and community-based services under a Medicaid waiver.]

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>July 1, 2013</i>	17b-261a(d)
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***Statement of Purpose:***

To allow the Department of Social Services to reduce the length of a penalty period when only part of a gift has been returned to an institutionalized individual.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*